

City Council Introduction: **Monday**, April 7, 2003
Public Hearing: **Monday**, April 14, 2003, at **1:30 p.m.**

Bill No. 03R-88

FACTSHEET

TITLE: A Resolution adopting and approving a proposed **amendment** to the **UNIVERSITY PLACE REDEVELOPMENT PLAN**, requested by the Director of the Urban Development Department, to provide for the acquisition of blighted and substandard commercial/industrial properties for the purposes of redevelopment, including the Green's Furnace and Plumbing Company building and property in the vicinity of 48th & Madison Avenue.

STAFF RECOMMENDATION: A finding of conformance with the Comprehensive Plan.

SPONSOR: Planning Department

BOARD/COMMITTEE: Planning Commission
Public Hearing: Consent Agenda: 03/19/03
Administrative Action: 03/19/03

RECOMMENDATION: A finding of conformance with the Comprehensive Plan (9-0: Larson, Krieser, Bills-Strand, Carlson, Newman, Taylor, Steward, Duvall and Schwinn voting 'yes').

FINDINGS OF FACT:

1. The staff recommendation to find the proposed **amendment** to the **University Place Redevelopment Plan** to be in conformance with the Comprehensive Plan is based upon the "Analysis" as set forth on p.3-5, concluding that the proposed amendment for the Green's Furnace and Plumbing Project generally conforms to the goals and implementation strategies of the Comprehensive Plan. The proposed amendment will permit the City to purchase the Green's Furnace and Plumbing Company building and property in the vicinity of 48th and Madison Avenue for redevelopment purposes.
2. The Planning Commission held public hearing on March 19, 2003. The applicant's testimony and testimony in support is found on p.6-7. The Director of Urban Development testified that this amendment provides the city an opportunity to purchase and acquire the property with Tax Increment Financing (TIF) funds in the event the Green's do not find another suitable purchaser. The Director of Urban Development assured that the potential redevelopment would be a public process.
3. There was no testimony in opposition.
4. On March 19, 2003, the Planning Commission agreed with the staff recommendation and voted 9-0 to find the proposed amendment to be in conformance with the 2025 Comprehensive Plan (Also See discussion in Minutes on p.7).

FACTSHEET PREPARED BY: Jean L. Walker

DATE: March 31, 2003

REVIEWED BY: _____

DATE: March 31, 2003

REFERENCE NUMBER: FS\CC\2003\CPC.03001 UNI Place Redev

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COMPREHENSIVE PLAN SPECIFICATIONS:

“Maximize the community’s present infrastructure investment by planning for residential and commercial development in areas with available capacity.” (page F 17)

Future Land Use Map: This land is designated as Commercial in the Land Use Plan. (page F 24)

“Encourage renovation and reuse of existing commercial centers. Infill commercial development should be compatible with the character of the area and pedestrian oriented.” (page F 49)

“Maintain and encourage retail establishment and businesses that are convenient to, and serve, neighborhood residents, yet are compatible with, but not intrusive upon residential neighborhoods.” (page F 49)

ANALYSIS:

1. This is a request to review a proposed amendment to the University Place Redevelopment Plan for a determination of conformity with the Comprehensive Plan.
2. The amendment provides for the acquisition of blighted and substandard commercial/ industrial properties for purposes of redevelopment. Community Development Law specifies that properties identified for acquisition must be included in the Plan. This amendment involves including the Green’s Furnace and Plumbing Company building and property in the vicinity of 48th and Madison Avenue in the University Place Redevelopment Plan. The building was destroyed by fire and the owners of this property have requested to create a project for redevelopment. (See Attachment A for specific text to be included in the University Place Redevelopment Plan)
3. This amendment will permit the City to purchase the property for the purpose of removing blight through future redevelopment activities. This amendment does not include a proposal for specific land uses on the property. The City will have to amend the Redevelopment Plan when specific land uses are determined for the redevelopment project.
4. **Public Works and Utilities Comments:** Public Works will need to review specific redevelopment proposals to determine specific needs and requirements for access.
5. The Urban Development and Public Works Departments have initiated a community process along with the University Place business association, neighborhood association and Nebraska Wesleyan University to develop traffic and safety improvements and revitalization strategies for the area. This subarea planning process will assist in determining redevelopment strategies for the Green’s Furnace and Plumbing project. The study is anticipated for completion by the fall of 2003.

6. The University Place Redevelopment Plan was adopted by the City Council on December 7, 1998.
7. The University Place Redevelopment Plan covers an area generally bounded on the west by 45th and 46th Streets, on the north by one-half block north of Adams Street, on the south by Colby Street, and on the east by 49th and 50th Streets. This proposed amendment covers buildings that are within the existing boundary of the Redevelopment Plan area.
8. The *University Place Study Area, Lincoln, Nebraska, Blight and Substandard Determination Study* determined that the area was blighted and substandard in August 1998. The City Council declared the area blighted and substandard on October 26, 1998.
9. The Green's Furnace and Plumbing Project would generate Tax Increment Financing from private development to pay for public infrastructure and improvements.
10. The *Lincoln and Lancaster County 2025 Comprehensive Plan* acknowledges the community's longstanding efforts to protect and improve the areas around the University Place business district and neighborhood.
11. The Redevelopment Plan identifies that redevelopment activities have the following objectives:

Intensify and strengthen the University Place business district as a focal point for local development.

Provide for expansion and new development of office, retail, parking, industrial, residential and related service activities which will complement the existing activities in use, scale and quality of materials and service.

Encourage rehabilitation/renovation of existing structures throughout the Redevelopment Area.

Improve the attractiveness and convenience of the business core environment through development of conflict-free pedestrian connections between all commercial facilities, the major roadway and parking areas.

Provide an environment which emphasizes pedestrian conveniences, streetscape amenities, needs and desires; and which minimizes automobile-pedestrian conflicts.

Assure that pedestrian way, lighting, signs, and communication devices are oriented to the human scale.

12. The objectives of proposed amendment to the University Place Redevelopment Plan are consistent with the *Lincoln-Lancaster County 2025 Comprehensive Plan*.

Prepared by:

Duncan L. Ross, AICP
Planner

COMPREHENSIVE PLAN CONFORMANCE NO. 03001 TO AMEND THE UNIVERSITY PLACE REDEVELOPMENT PLAN

PUBLIC HEARING BEFORE PLANNING COMMISSION:

March 19, 2003

Members present: Larson, Krieser, Bills-Strand, Carlson, Newman, Taylor, Steward, Duvall and Schwinn.

Staff recommendation: A finding of conformance with the Comprehensive Plan.

This application was removed from the Consent Agenda and had separate public hearing at the request of Commissioner Schwinn.

There were no ex parte communications disclosed.

Proponents

1. Marc Wullschleger, Director of Urban Development, advised the Commission that this amendment provides the city an opportunity if Green's does not get a suitable purchaser that they want to do business with. If this is approved, it will give the city the opportunity to buy the property with TIF (Tax Increment Financing) funds. This very large TIF district was created 5-8 years ago in UPKO (University Place). The major contributors to this TIF are Walgreens, the shopping center, and the Villa Grille. Any newly built or redeveloped property that adds an increment to the tax rolls goes into a fund that can be put back into the community. The money generated has provided funds for Urban Development to redevelop the neighborhood. If Green's so chooses, the city can purchase the property from them at a later date (there is no deadline but Wullschleger suggested six months) and redevelop the property. At this point, Urban Development does not have a plan for the redevelopment uses. Urban Development is currently conducting a large traffic study in the area, and a smaller portion of that study is for community revitalization. This proposed amendment came up due to the recent fire. If the city does purchase the property, Wullschleger anticipated that the City will probably level what is left of the ruins, dig out any basements, make sure the land is clean, clear and free from contamination, and then do a RFP to the public to see what the neighborhood would want to do with the land. It would be a public process. The property is zoned B-3 and it could be just about anything that would be proposed.

Wullschleger explained that Urban Development would be coming back to the Planning Commission seeking authority to purchase.

Larson inquired whether TIF funds could be used to make it a public area, like a park. Wullschleger confirmed that this could be done. The TIF is actually generated by the larger district, so Urban Development would be using the TIF dollars from the other properties in the district.

Bills-Strand inquired about the time line (the suggested six months) and whether that is enough time for the Green's to be able to figure out their future plans. Is this what they are wanting?

Wullschleger indicated that Wynn Hjermstad in the Urban Development Department has been working with the Green's. He himself has not had direct contact with the Green's; however, he believes it is enough time, but this is not a deadline. He understands that the Green's are looking for other sites to relocate their business.

Steward would like more explanation of the timing and pressure for this to come up so quickly. What is it that causes the city to want to own this property before there is a reasonable amount of time for private enterprise to engage in the issue? He could imagine one reason might be to keep it from being piece-mealed so that it is a larger entity for adequate redevelopment options, but other than that, what's at work here? Wullschleger explained it to be "the fire" that brought this opportunity forward at this time. He assured that Urban Development is not going to be in there bidding against private parties. If there is a private party that wants to purchase the property, the city will stand back. The city is just interested in having a fallback position for the Green's if they do not have a suitable buyer. The city would have to pay the appraisal price. There will be no condemnation.

Bills-Strand sought confirmation that there is no real deadline and that the city is not going to put any timelines or pressure on the Green's. Wullschleger agreed.

2. Larry Zink, 4926 Leighton, current President of the **University Place Community Organization** (UPCO), testified only on behalf of himself as the Board has not had the opportunity to review and take a position on this proposal. However, Zink stated that he was testifying in support. This was a traumatic loss for the business district and the neighborhood, and he appreciates the interest the city is taking to work with the area. There is no coercion involved. UPCO is involved with the business association and opening the door for this process will give more flexibility to respond to the outcomes of that study.

There was no testimony in opposition.

Public hearing was closed.

ADMINISTRATIVE ACTION BY PLANNING COMMISSION:

March 19, 2003

Larson moved to find the amendment to be in conformance with the Comprehensive Plan, on the basis that we are not committing the city to anything but just opening up an option, seconded by Steward.

Steward believes the protection of the property for other options is what's going on here—that's what the Comprehensive Plan is about—examining options for future use. There has been a lot of public and private investment in this area and he thinks it is prudent that the city step in to be sure that a good outcome is available for everyone's concern.

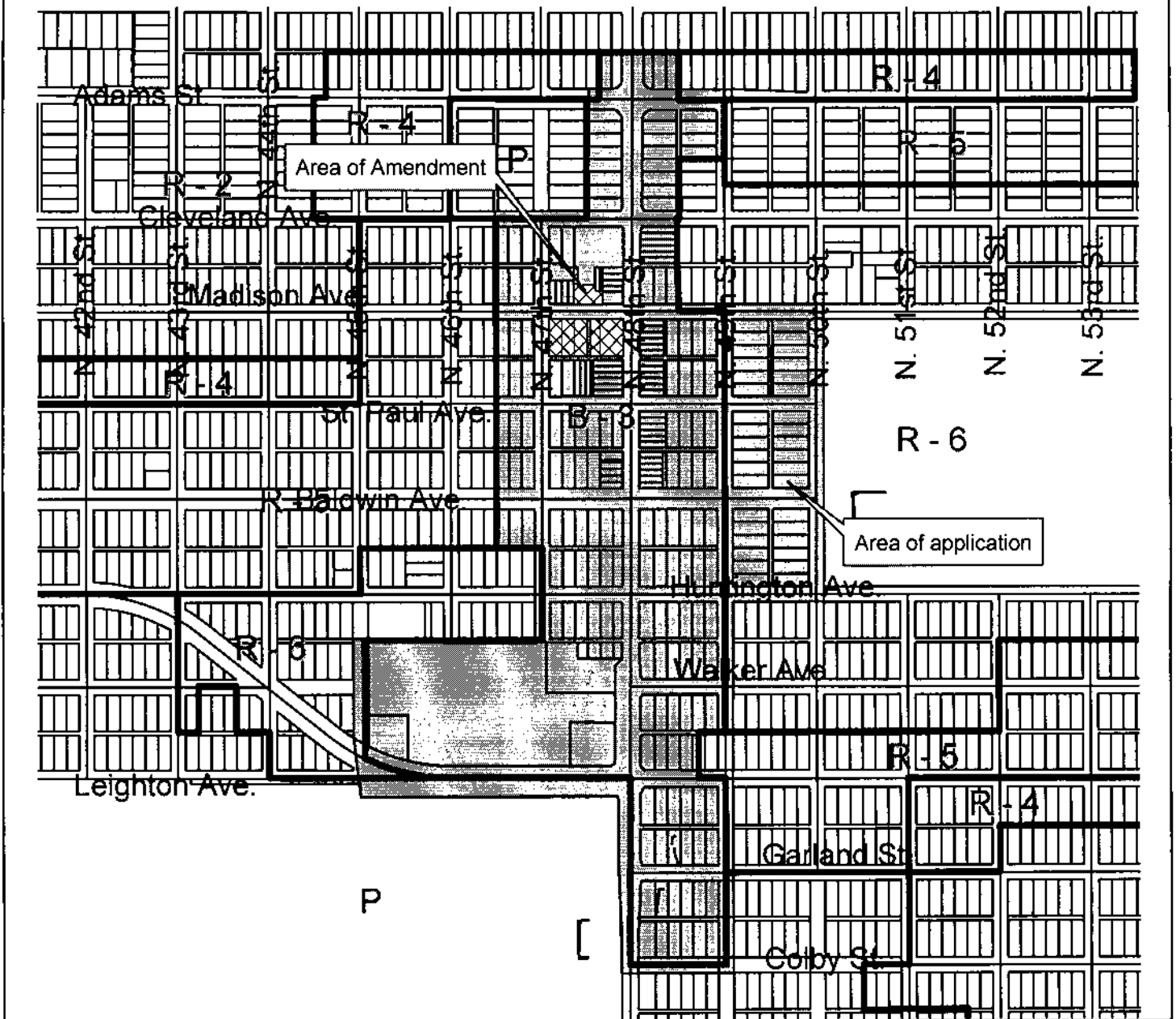
Schwinn agreed. He thinks it is a great opportunity and he is glad it came forward in the public process.

Motion carried 9-0: Larson, Krieser, Bills-Strand, Carlson, Newman, Taylor, Steward, Duvall and Schwinn voting 'yes'.



Comp. Plan Conformance #03001
University Place Redevelopment Plan
St. Paul & N. 48th St.

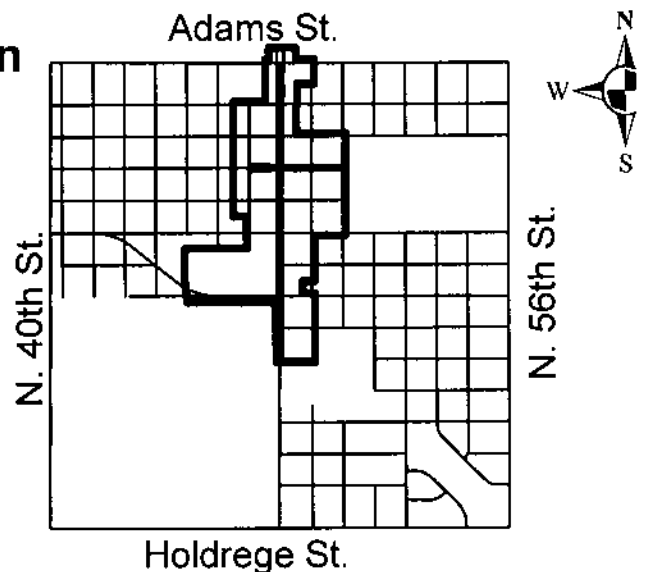
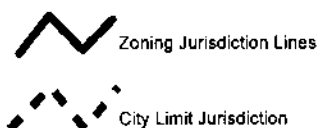




Comp. Plan Conformance #03001
University Place Redevelopment Plan
St. Paul & N. 48th St.
Zoning:

- R-1 to R-6 Residential District
- AG Agricultural District
- AGR Agricultural Residential District
- R-C Residential Conservation District
- O-1 Office District
- O-2 Suburban Office District
- O-3 Office Park District
- R-T Residential Transition District
- B-1 Local Business District
- B-2 Planned Neighborhood Business District
- B-3 Commercial District
- B-4 Lincoln Center Business District
- B-5 Planned Regional Business District
- H-1 Interstate Commercial District
- H-2 Highway Business District
- H-3 Highway Commercial District
- H-4 General Commercial District
- I-1 Industrial District
- I-2 Industrial Park District
- I-3 Employment Center District
- P Public Use District

One Square Mile
 Sec. 17 T10N R7E



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Lincoln



Nebraska's Capital City

February 20, 2003

Marvin Krout, Director
Lincoln Lancaster County Planning Department
555 S. 10th
Lincoln, NE 68508

Dear Marvin:

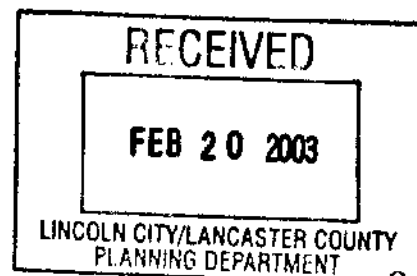
Enclosed is an amendment to the October, 1998 *University Place Redevelopment Plan*. The amendment provides for the acquisition of blighted and substandard commercial/industrial properties for purposes of redevelopment. Community Development Law specifies that properties identified for acquisition must be included in the plan. This particular amendment identifies the Green's building on North 48th Street. The property was recently destroyed by fire and it is the owner's wish to work with the City to further redevelopment efforts begun on North 48th Street.

Please forward the amendment to the Planning Commission for their approval as an amendment to the University Place Redevelopment Plan. If you have questions or need additional information, please contact Wynn Hjermstad, Community Development Manager, at 441-8211 or whjermstad@ci.lincoln.ne.us. Thank you.

Sincerely,

Marc Wullschleger
Director

enclosure



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Pg 17:

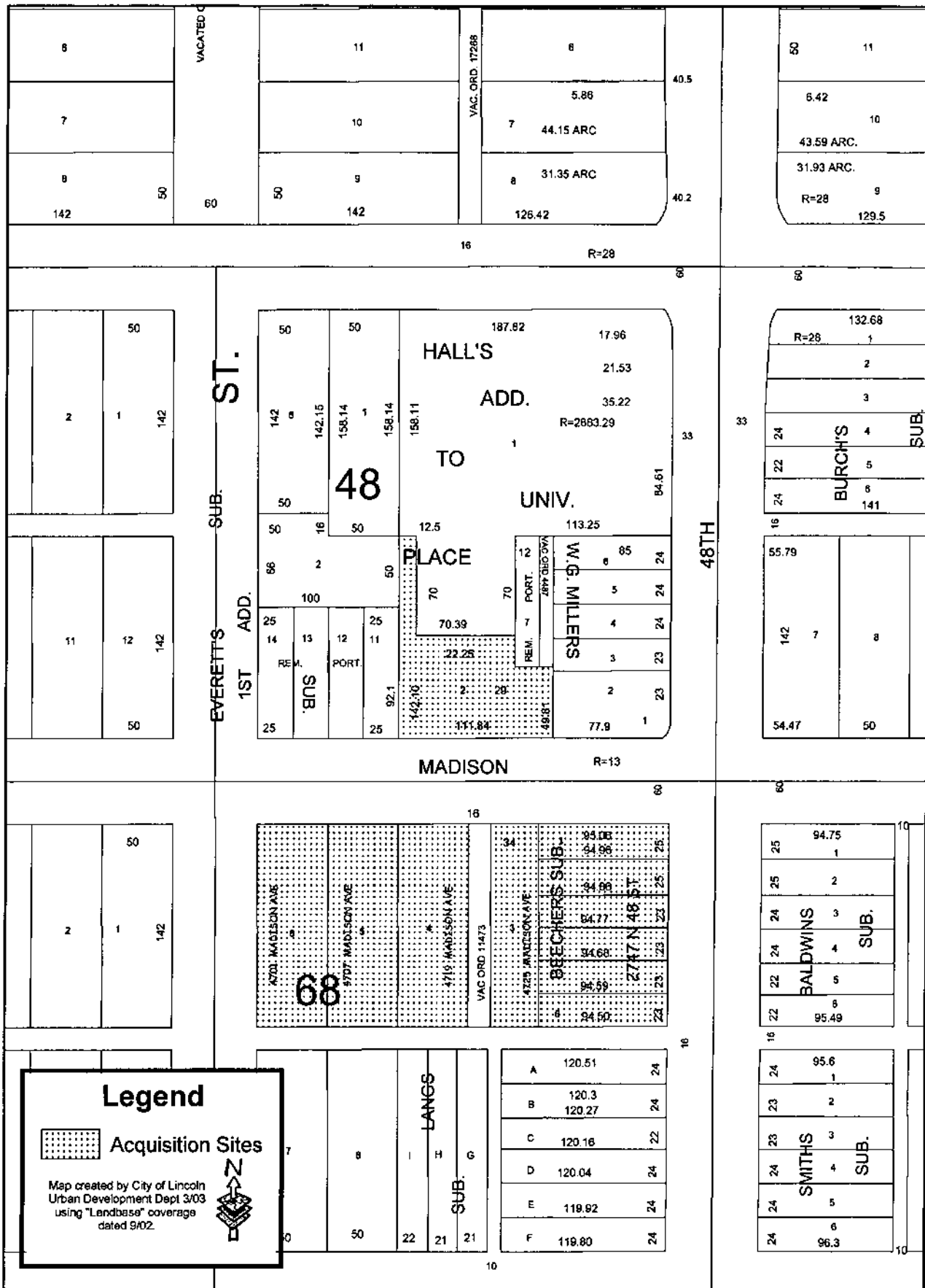
12. ACQUISITION OF SUBSTANDARD COMMERCIAL/INDUSTRIAL PROPERTIES FOR REDEVELOPMENT

Substandard commercial/industrial structures contributing to substandard and blighting influences in the Redevelopment Area will be acquired and parcels made available for redevelopment. In some cases, parcels may be assembled for disposition. By acquiring and assembling parcels of land, the City can create marketable parcels which are of sufficient size to attract the interest of the private sector. Sale of these assembled parcels will assist the private sector in realizing economies of scale on a project while making it possible to improve design through planned, integrated development. The initial impact will be to eliminate blighting influences caused by substandard structures that are inconsistent and incompatible with surrounding land uses.

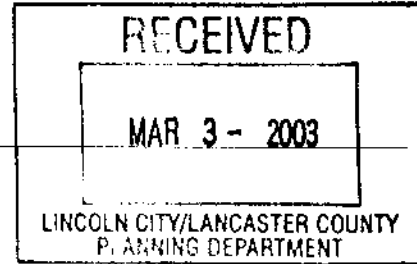
Acquisition and site preparation, including demolition of the following properties:

- University Place Block 68, Lot 4, commonly known as 4719 Madison Ave.
- University Place Block 68, Lot 5, commonly known as 4707 Madison Ave.
- University Place Block 68, Lot 6, commonly known as 4701 Madison Ave.
- Beecher's Sub Lots 1 - 6, commonly known as 2747 N. 48th Street
- University Place Block 68, Lot 3, commonly known as 4725 Madison Ave.
- Halls Addition to University Place, Lot 2

Acquisition Sites



M e m o r a n d u m



To: Duncan Ross, Planning

From: Dennis Bartels, Public Works and Utilities

Subject: Amendment to University Place Redevelopment Plan

Date: March 3, 2003

cc: Randy Hoskins
Virendra Singh

Public Works has reviewed the request to amend the University Place Redevelopment Plan to allow the acquisition for purposes of redevelopment of the Green's property at North 48th and Madison recently destroyed by fire. The proposed amendment is satisfactory. Public Works will need to review specific redevelopment proposals to determine specific needs and requirements for access and utilities.